



## DEPARTMENT OF EDUCATION

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### **STATE GUIDANCE**

**To:** Child Care Programs  
**From:** Sally Bartlett, MAOL, Coordinator - CACFP  
**Date:** January 26, 2007  
**Subject:** Retention of records relating to institutions, responsible principals or responsible individuals, and family day care on the National Disqualified List; retention of records relating to serious deficiencies  
**Policy Memo CACFP-01-2007**

The purpose of this memorandum is to clarify Program requirements for the retention of records relating to institutions, responsible principals or individuals, and family day care homes that have been placed on the CACFP National Disqualified List (NDL). In addition, this memorandum also clarifies recordkeeping requirements relating to institutions and homes that have been declared seriously deficient, but which take satisfactory corrective action and are not placed on the NDL. These issues need to be addressed to ensure that the records supporting a serious deficiency determination, and/or a termination and disqualification, are properly maintained by State agencies (SAs) and sponsoring organizations.

Section 226.10(d) of the regulations establishes retention requirements for records relating to claims submitted by SAs and institutions participating in CACFP. Such records must be retained for three years after the submission of the final claim for the fiscal year to which they pertain. If, at the end of this period, audit findings have not been resolved, the records must be retained until the audit is resolved.

The same principle applies to the retention of records relating to institutions, responsible principals or individuals, and family day care homes that have been placed on the CACFP's NDL. These records are considered to pertain to the entire period that an individual or institution remains on the NDL, since the documentation supporting the disqualification must be available to respond to any challenge to the institution's or individual's inclusion on the NDL, or to a request for removal from the NDL. Therefore, consistent with the requirements at § 226.10(d) concerning the retention of claims-related records, the SA or institution must retain records relating to the disqualification for three years after the institution, responsible principal or individual, or family day care home is removed from the NDL.

This memorandum also clarifies record retention requirements relating to an institution or family day care home that is declared seriously deficient, or a principal or individual who has been identified as responsible for a serious deficiency, when the serious deficiency is corrected before disqualification. Records relating to any serious deficiency must be retained by the SA or sponsoring organization for three years after the SA and FNS (for institutions or responsible principals or individuals) or sponsoring organization (for family day care homes) accepts the corrective action. This timeframe will permit the SA (or the sponsoring organization, in the case of a family day care home) to conduct one or more follow-up reviews to ensure that the institution or home has fully and permanently corrected the serious deficiency, and will provide the necessary documentation for a proposed termination if it is found that the corrective action has not been permanently implemented.

If you should have any questions please contact the State Office at 208-332-6820